

**Marketing and Incentives Workgroup**  
**Meeting Minutes**  
**2/27/01**

1. Meeting Notes from February 5, 2001 approved with no changes.
2. Plans for Information Gathering:
  - What information do we need?
    1. Cost benefit analysis
    2. Determination of engine applications
    3. ARB inventory of diesel vehicles.
    4. Past voluntary program successes and failures.
    5. Survey of stakeholders' motivations
    6. Assessment of manufacturer interest in "blue sky" engines
    7. Technical information on what types of vehicles and ages of vehicles can be successfully retrofit.
  - How do we get it and who is responsible?
    1. Cost benefit analysis: This analysis will be conducted by ARB staff.
    2. Determination of engine applications: ARB staff will contact engine manufacturers to determine the range of applications for every major manufacturer's engines.
    3. ARB inventory of diesel vehicles: ARB staff will supply MIW with an inventory of diesel vehicles in the State of California. Both percentages and numbers of vehicles per category will be supplied.
    4. Past voluntary program successes and failures: ARB staff will collect information about past efforts to do mobile source voluntary programs. Sacramento Metropolitan AQMD will provide an overview of their program.
    5. Survey of stakeholders' motivations: ARB staff will develop survey with input from the Marketing and Incentives Workgroup (MIW) by 4/1/01. MIW members will administer survey to their contacts in the diesel industry. (Peter Reba will contact his dealers. Coralie Cooper will survey her contacts in the Northeast. Pam Jones will contact distributors in California.) ARB staff will survey trade associations listed in the 2/5/01 meeting as well as the other members of IDRAC.

We are looking for brainstorming ideas from these surveys, insight into nonconventional (i.e. the government handing them money, tax incentives, etc.) motivations that might spur voluntary interest in retrofitting vehicles. For example, green image stickers or time saving benefits for those with emission control devices. In the end, all of these ideas boil down to money, but they are more creative ways of reaching that goal.

6. Assessment of manufacturer interest in "blue sky" engines: ARB staff will contact engine manufacturers (Cummins, Detroit Diesel, John Deere, etc.)

with MIW and IDRAC assistance. We are interested in learning what will motivate manufacturers to voluntarily clean up their engines. Tim Johnson will bring information to the next meeting on how Sacramento Metropolitan AQMD encouraged manufacturers to make cleaner vehicles available there.

3. We benched the discussion of development of separate communication strategies for legislature, governor, and affected industries until we have gathered more information.
4. Timeline for MIW actions
  - Survey input from MIW due by 3/15/01.
  - Survey designed and distributed to MIW by 4/1/01.
  - Survey administered by ARB and MIW through 5/15/01.
  - Submission of results to ARB by MIW due 5/20/01.
  - See cost benefit analysis attachment for timeline of progress.
  - Reports on the data gathering progress will be shared at the next meeting in May.
5. Points of discussion
  - Many of MIW members are concerned about the 85% PM emission reduction goal. As we develop our plans for voluntary programs, we must decide if this goal will produce the best results. Perhaps, for example, we look at a package that includes DOC and a repower. This will reduce PM and NOx, but may not reach the 85% goal. Are we willing to accept a 70% PM emission reduction rather than an 85% reduction if that means more vehicles will be willing and able to meet this level of reduction?
  - MIW also discussed which vehicles should be retrofit. While a retrofit would benefit older vehicles more (result in greater emissions decrease), it is harder to retrofit them. Is it worth targeting this market, or should we focus on repowering them?
  - Another MIW concern laid with the focus of our workgroup efforts. Most felt that in the future we need to focus on a few market segment that are most compatible with a voluntary program and as result in the most benefits. We will begin to narrow our focus after we have done further research.